

STATINTL

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(AUG 31 1954)

Director of Security

Chief, Security Division

Accomplishments of the Security Division during
Fiscal Year 1954 and Objectives for Fiscal Year 1955

1. Accomplishments during Fiscal Year 1954

a. The Chief, Security Division was appointed as CIA representative on a special ad hoc committee of representatives of interested government agencies established to study the problem of government-wide procurement of safe files. At the present time, the committee has submitted specifications for a safe file designed to prevent known means of forcible entry to various manufacturers for submission of bids.

b. Arrangements were made to acquire simple modifications designed to prevent one method of surreptitious forcible entry of safe files for installation on safe files. In this connection, arrangements were made for providing such modifications to the field, and a message explaining the modifications and advising as to the method they could be procured was prepared for forwarding to the field. In addition, arrangements were made with the Logistics Office whereby in the future orders for additional safe files will specify that they must include a permanent type modification designed to prevent not only this but also other types of forcible entry.

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d. Miniature replicas of safe files were procured and distributed throughout the Agency to serve as reminders of assignment to Staff Duty Check. It is believed that the use of these miniature replicas will avoid many security violations occasioned by failure on the part of persons assigned to Staff Duty Check to remember to conduct the check. In this connection, a notice advising of the purpose and proper use of these replicas was prepared for distribution.

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e. A program was initiated whereby posters designed to improve the security consciousness of employees are being posted throughout the Agency. At the present time a poster designed to protect against loose talk and another poster calling attention to the securing of safe files have been posted. Other security posters are being prepared and will be posted after a reasonable length of time.

f. In order to better impress employees terminating their employment with their obligation to protect classified information, a new secrecy oath was prepared and is now being used.

g. At the direction of the Director of Security, action has been initiated to move the offices of the DCI from the Administration Building to South Building. This move, together with supplementary plans, will provide better security and personal protection to the DCI.

h. Arrangements were made with representatives of the General Services Administration whereby authority was delegated to the DCI to appoint not more than twenty special policemen who would have the power of arrest. This authority has been delegated to the Chief, Physical Security Branch, and action is being taken to establish a program for the indoctrination and training of those employees to be appointed. Among other things, this will entail publication of a manual containing instructions and a delineation of authority, designing of a distinctive badge and special training in firearms and arrest procedures.

i. The Appendix I and Appendix II were revised several times in order to include additional organizations cited from time to time by the Attorney General.

j. The polygraph screening program continued during the year and employees in DCI, CDR, OCD, DDP and OO not previously polygraphed were afforded polygraph interviews.

k. Several reports of action taken by this Agency pursuant to Executive Order 10450 were submitted to the Civil Service Commission in compliance with requests for such information.

l. Physical and technical security surveys were conducted of the residences of the DCI and DCIO. In addition, arrangements were made for the installation of an ADT alarm system in the residence of the DCI.

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[redacted]
[redacted] physical security survey was conducted of an area
[redacted] In addition, the following physical security surveys
were conducted of the [redacted]

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c. A physical security survey was conducted of an area being divulged to foreign nationals under the provisions of an Executive Order entitled, "Protecting Classified Security Information Available to Foreign Nationals," arrangements were made to routinely conduct name checks at State, FBI, HCUA, C-2, OMI and OSI on [redacted] the Contact Division.

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d. A procedure was instituted whereby all visitors to Agency buildings must execute a statement on the back of the regular visitor's pass indicating their citizenship.

e. Action was taken to require the spouses of applicants to sign a certification to the effect that they are not or have not been members of, contributed to, knowingly received literature from, or attended meetings of any organization listed by the Attorney General pursuant to Executive Order 10450. This was accomplished by the issuance of an Appendix II to the Personal History Statement which is similar to the Appendix I, except for the certification and other appropriate minor changes.

f. In order to maintain a current check of all limited pass holders, a record system was established in the Physical Security Branch. This record contains the name, pass number, building limitation, date of entry, building entered, time of entrance and departure of all holders of such badges.

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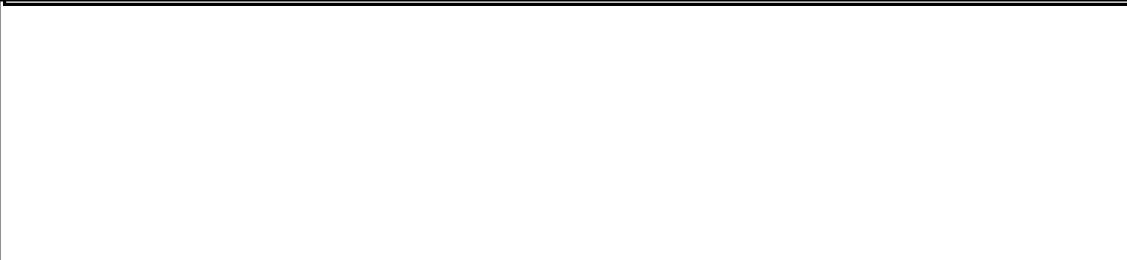
g. At the request of FBI, representatives of FBI conducted several lectures concerning the use of the [redacted]

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w. Procedures were established for furnishing information contained in Security Office files in those cases where a check by RI of their files reveals a reference to Security Office files. In such cases where the requester is an outside agency, RI calls the Security Office to establish identity, and if identity is established, ad hoc arrangements are made for advising the requester. In appropriate cases RI is advised that our files contain no pertinent information. Where our files contain security information, RI is told to advise the requester to check our files through regular liaison channels. Where the information is not of a security nature, it may be given to RI if deemed advisable. In those cases where the requester is a CIA office, RI advises the requester to contact the Security Office directly.

x. Procedures were established by the DD/A to bring appropriate cases to the attention of a Special Panel, consisting of representatives of the Office of Personnel, Medical Office and Security Office. The Chief or Deputy Chief, Security Division, have attended each meeting held.



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z. Arrangements were made with OCI whereby representatives of that office, when debriefing employees with SI clearance, punch out of the employees' badges the numbers 1, 2 and 3, which permit access to restricted areas. This does not invalidate the badges for entrance to Agency buildings, but merely invalidates them as to those special restricted areas.

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aa. Action was taken to require employees of other government agencies involved in classified research matters for this Agency to execute a Personal History Statement and Appendix I. In this connection, they are investigated commensurate with the classification of the information they receive.

ab. In conjunction with representatives of ONE, arrangements were made to relocate the high-level meetings held at [redacted] to a new site in that city.

ac. In order to insure that only authorized Security Office employees are able to draw security files from the Security Division file room, new badges with the number 6 on the left margin were issued to authorized personnel for displaying prior to drawing files.

ad. New badges not requiring a photograph were designed for issuance at the Administration Building to certain VIP visitors.

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af. Procedures were established whereby each week three cases previously heard by the Loyalty Board or the Employment Review Board were submitted to the DCI for his review. The DCI has now reviewed all such cases.

ag. Arrangements were made with the Secret Service for the installation of a direct telephone line from the White House to the residence of the DCI.

ah. In order to comply with an Air Force regulation requiring a notation on all Air Force military personnel records as to security clearances held, by whom issued, etc., arrangements were made with DPD and representatives of the Office of Special Investigations, U. S. A. F., whereby, after a review of our file, security clearances based on the investigations conducted by CIA are granted by the Office of Special Investigations to Air Force personnel being returned to the Air Force from assignment with the Agency. This clearance is then noted on the individuals' military personnel record and, thereby, avoids the necessity of any reference to the clearance granted by this Agency.

ai. The Deputy Director of Security, the General Counsel and the Chief, Security Division, made arrangements with the

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Civil Service Commission whereby this Agency is exempted from the provision of E. O. 10450 requiring that action concerning each investigation conducted be furnished to the Civil Service Commission for incorporation into its security investigations index. In this connection, however, it was agreed that this Agency would advise the Civil Service Commission of any dismissals under Public Law 253 and Executive Order 10450, as well as any dismissals because of homosexuality.

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ak. In order to better indoctrinate employees in the Personnel Pool as to the purpose of the polygraph program prior to their interview, a program was established whereby briefings on the polygraph program are given to such employees each Monday by representatives of the Interrogation Research Branch. Since this program was initiated it has been noted that such employees are less nervous and more receptive to the polygraph interview.

al. A program was established whereby employees going on LEOP or Military Furlough are requested to notify the Personnel Office 30 days in advance of their anticipated return to the Agency. The Personnel Office then advises the Security Office and the individual's file is reviewed and any necessary action is taken prior to the individual's return.

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am. In addition to the categories already established for contact clearances for the Contact Division, OO, another category was established in certain cases of disapproval. In these cases the Contact Division is advised that, prior to making contact on an unclassified basis, they should discuss the case with either the Chief, or Deputy Chief, SD, in order to determine whether such contact would be in the best interest of the Agency.

ao. As the result of a survey which revealed that over a period of four Saturday mornings only 105 visitors were processed for entrance to CIA buildings, all receptionist desks, except in the Administration Building, were closed on Saturday mornings and arrangements were made for the guards to process

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visitors during those times. This action resulted in a savings of approximately \$500.00 per month.

sp. As the result of an overcharge by GSA for guard service, a system was established whereby the guard captain is required to submit a daily report of the hours worked at each guard post. These reports are then used by the Physical Security Branch to maintain a bookkeeping system as a check on bills submitted by GSA for guard service. Such bills are ordinarily certified to by the Guard Services Office.

aq. Together with the Chief, Inspection Division, it was agreed that for security reasons this Agency would discontinue sending safes to contractors and instead, would provide in the contract that the contractor must procure adequate safekeeping equipment. This action prevents anyone from tracing the safe back to this Agency by means of the serial number.

ar. All contact credentials issued during the period that General Smith was DCI were recalled and were replaced with new credentials bearing the signature of the present DCI.

as. Arrangements were made whereby a representative of the Interrogation Research Branch now gives the course on familiarization of the polygraph in the Operational Training Course conducted by the Office of Training.

at. Procedures for clearance of applicants for DCI, OPR and OSI were altered to the extent necessary to assure that the applicant is suitable for clearance for Special Intelligence, insofar as the foreign connections aspect of the cases are concerned, prior to the issuance of a clearance notice by the Security Office to the Personnel Director. This procedure eliminates bringing applicants on duty who can be cleared for Agency employment but cannot be cleared for Special Intelligence because of certain foreign relatives or connections which they have.



av. Procedures were effected with a representative of the General Services Administration whereby "Security Questionnaires" for all char force personnel and other GSA employees having access to CIA buildings during non-working hours are forwarded to this Agency for the necessary investigation and clearance.

aw. An agreement was reached with officials of the Public Building Services whereby, except for a few instances, this Agency was exempted from a proposed change of guard shift by Public Building Services from 6-4-12 shifts to 9-5-1 shifts. If this proposed change had been made, it would have resulted in a cost of approximately \$25,000 a year in overtime pay, as well as a decrease in the security of this Agency.

ax. The Director of Security was accompanied to a meeting with Mr. Roger Stefen, Assistant to the Assistant to the President, at which time arrangements were made whereby the FBI was authorized to release to this Agency investigative reports of investigations conducted for the White House where the subject of such investigation is to be employed by this Agency. Additional arrangements were made whereby a representative of the Security Office is now permitted to review appropriate security files of the White House in those cases where the subject of the investigation for the White House is to be cleared by this Agency for use in other than an employee capacity.

ay. In compliance with procedures for the control of National Security Council information established by the National Security Council at the direction of the President, internal procedures were established in coordination with the CIA Top Secret Control Officer for the control of such information in CIA. In addition, a notice setting forth these internal procedures was prepared for distribution.

az. Permission was secured for the use of the firearms range at the Naval Air Station in Anacostia.

ba. Arrangements were made with the Office of Training so that all requests for training in clandestine activities of employees not assigned to the DD/P are now forwarded to the Security Office for approval.

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bc. At the request of the Provost Marshall's Office, Department of the Navy, a representative of that office was given assistance in setting up a manual of guard instructions.

bd. Action was taken to issue limited badges to authorized Chesapeake and Potomac Telephone employees after limited security checks.

be. A program was initiated for the interviewing of all professional employees of the Security Division by the Chief, Security Division. The purpose of the interviews is to acquaint such individuals with the functions and policies of the Security Division and to establish a more personal relationship. In addition, the interviews afford an opportunity to determine the capabilities and ambitions of the individuals in order to better chart their careers in the Security Division within the limits imposed by available positions and Agency policies.

bf. Action was taken whereby employees departing for overseas PCS assignment who have been polygraphed within the past three years will not be repolygraphed, unless because of special circumstances it is deemed advisable. In the past the criteria for repolygraphing such employees was one year.

bg. In order to establish firmer security controls on consultants, arrangements were made whereby the Personnel Office will take steps to insure that all consultants are brought to Washington for security briefing. In addition, the Personnel Office will notify the Security Office of renewals of consultant contracts in sufficient time to permit a security reappraisal of the case. The security debriefings in the field will be arranged for by the Security Office when appropriate.

bh. Arrangements were made with representatives of the General Services Administration whereby in the future they will refrain from including a listing of all CIA buildings in the telephone directories issued to certain guards. Previously, these directories, which list all government buildings according to agency and give the guard post telephone numbers in the buildings, included CIA buildings and could be taken home or elsewhere by the guards.

bi. A guard post was added outside the entrance to the Administration Building. This post is in addition to the one already inside the building.

bj. A program was established to review the security files of employees for reinvestigation of those cases where the initial investigation does not meet current investigative standards or is considered too old.

bk. In compliance with a request of Mr. Coyne, a technical security inspection was conducted of certain sensitive offices of the National Security Council.

bl. As a part of the over-all program to reduce security violations, stickers outlining the correct procedure for closing, locking and checking safe files are being placed on all Agency safe files.

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bm. Information concerning the penalty system for security violations in CIA was made available to representatives of the Security Offices of the Department of State and Foreign Operations Administration, who requested such information in connection with a proposed plan to establish a system of penalties in those agencies.

bn. Action was taken to issue cards identifying the bearer as an Agency employee to personnel required to identify themselves as Agency employees when attending schools, lectures and installations of other government agencies for other than liaison or intelligence collection purposes. These cards contain the name, photograph, signature and description of the employee, as well as a time limitation on their validity. It is believed that these cards will serve a need for identification without extending the broad authority to act as an official representative of the Agency, which is included on the current CIA credentials.

bo. As the result of the circulation in the Agency of a brochure requesting orders for a new type desk tray equipped with a lock, arrangements were made with representatives of the Personnel Management Branch whereby these desk trays will be manufactured without the locks. This action was deemed advisable to avoid possible security violations by reason of employees leaving classified material unprotected on their desks in locked desk trays under the misconception that such action is permissible.

bp. Modifications were effected in the procedure whereby CIA conducts any overseas investigation necessary in cases of CIA employees referred to the FBI for investigation under Executive Order 10450. Under present procedures, if questions of cover and security are not involved, our request to the FBI for investigation will express our desire not to conduct such overseas investigation. In these cases, such investigations will be routinely handled by the facilities available to the FBI, which, in most cases, will be the Department of State.

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br. Posters advising employees of the action to be taken in case of fire were posted throughout Agency buildings.

bs. The boxes containing keys to be used in emergencies installed near locked rooms were replaced by more secure type boxes which are closed by a wire and seal. This action was taken because it was possible to remove and replace the keys in the old type boxes without leaving any evidence of tampering.

bt. Action was taken to formalize instructions issued to all PMG maintenance personnel working in CIA buildings after hours advising them that, in the event they discover a security violation, they should call the Guard Office immediately and remain in the area until relieved by the Night Security Officer or a guard.

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bv. Arrangements were made with the Logistics Office so that persons requesting transportation from the Motor Pool will be identified over the radio communications system by badge number instead of name. In addition, the buildings where they are to be met will be identified by code.

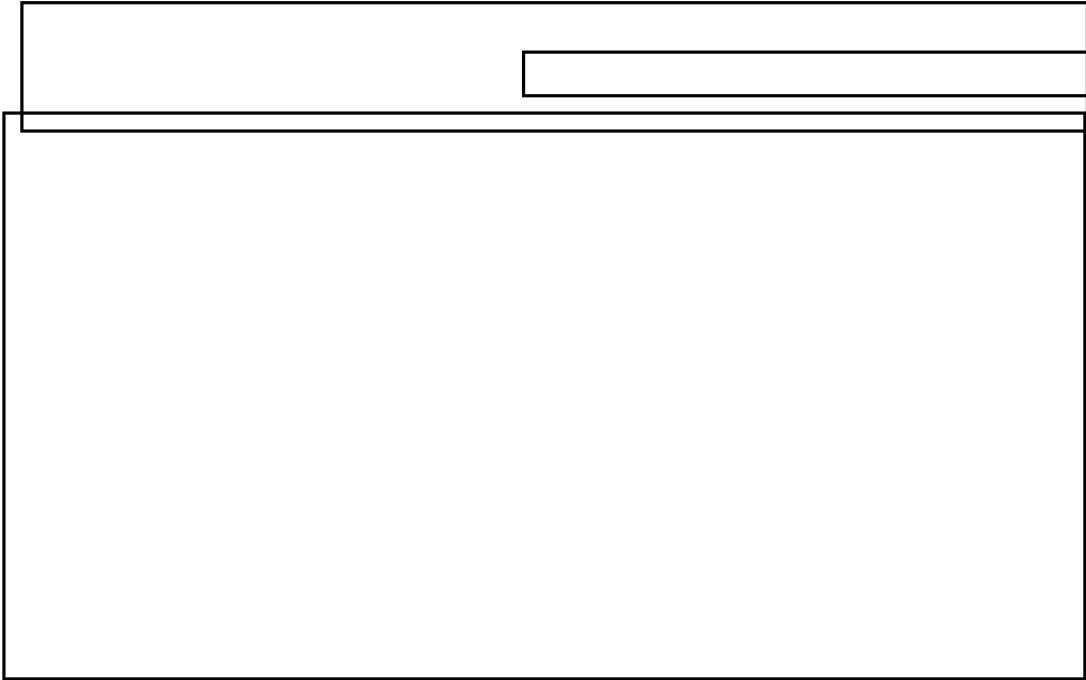
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representatives of the Office of Training that, in order to avoid further speculation possibly harmful to Agency interests, identifying information would be secured from the employees concerned, after which limited security checks would be conducted on these individuals and they would be advised that some work at the installation is being conducted for this Agency.

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to another on a PBY basis. This arrangement will facilitate the necessary security controls insofar as possible foreign connections of employees are concerned.

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cc. Arrangements have been made to convert a Security Office interview room in I Building so that it can also be used for polygraph examinations. This action is being taken in order to avoid the necessity of sending persons to Building 13 for polygraph examination in those cases where such action is necessary following a personal interview.

cd. Action was initiated to post notices on all air conditioners advising of the action to be taken in the event of fire in the air conditioners. In addition, the notices will warn employees that, in order to avoid the possibility of fire, the air conditioners should be turned off when unattended. At the present time the posters have been printed and are in the process of being posted.

cc. Security support was extended in connection with a demonstration to representatives of other government agencies of the

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[Redacted]

cg. A memorandum to the Assistant Director for Personnel was prepared requesting that procedures be established so that notices of transfer of personnel between the various components of the Agency and to or between overseas [redacted] field stations will be forwarded to the Security Office in sufficient time so as to cause the least embarrassment or inconvenience to the employee in case of security disapproval of the transfer.

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ci. The Logistics Office has advised that, effective 1 July 1954, the contract for safe repairs formerly held by [redacted] had been awarded to the [redacted] which was the low bidder in a recent invitation to bid on this contract. This action is the result of a previous request by this office to open the safe repair contract to bids in an attempt to reduce the cost of such repairs.

cj. During the fiscal year 1954, 5,763 cases of persons requiring clearance for access to Top Secret information were processed. Of these, 3,715 were approved, 271 were disapproved, and 1,782 were closed after investigation was initiated but prior to a final determination being made.

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[Redacted]

cl. In addition, cases of 1,930 employees were processed as a result of requests for special types of security clearances. Also, a total of 3,429 requests for security concurrence in transfers of individuals between major components of the Agency were processed.

cm. Other government agencies initiated 21,339 requests for CIA record checks, and, in connection with this, 1,731 Security Office files were reviewed.

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cn. A total of [] persons were security interviewed prior to resigning or entering on a period of extended leave of absence or upon departing for or returning from overseas assignments.

co. In connection with the processing of cases in the Personnel Security Branch, 4,705 cases were analyzed, and, of these, 2,828 required a written summary of the analysis.

cp. Reviews were made of 6 daily, 4 weekly and 4 monthly publications for the purpose of extracting pertinent security information for the reference files of the Security Office. In addition, an undetermined number of clippings received from the Agency clipping service were reviewed for appropriate inclusion in the files.

cq. During the past fiscal year 23 cases were processed for Loyalty Board or Employment Review Board procedure.

cr. During the fiscal year ending 30 June 1954, 110 persons, either fully cleared and on duty or cleared subject to polygraph examination, were separated from the rolls of the Agency as a result of direct Security Office action. This total breaks down as follows:

93 regular appointees to civilian T. O. slots
16 military personnel
1 consultant under contract

A detailed analysis of these figures follows:

| <u>Derogatory Information</u> | <u>Obtained by Investigation</u> | <u>Obtained through Polygraph Interview</u> | <u>Obtained from Police</u> | <u>Total</u> |
|-------------------------------|----------------------------------|---|-------------------------------|-------------------------------|
| | <u>At End</u> | <u>After Employment</u> | <u>Reg. Mil. Cons.</u> | <u>Reg. Mil. Cons.</u> |
| 25X1 | Reg. Mil. Cons. Imp. Pers. | Reg. Mil. Cons. Imp. Pers. | Reg. Mil. Cons. Imp. Pers. | Reg. Mil. Cons. Imp. Pers. |

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cs. Some of the measurable units of work accomplished by the Physical Security Branch during the fiscal year 1954 are as follows:

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|--|--------------------------------|
| Security violations investigated | 793 |
| Physical security surveys | |
| Major surveys of CIA installations and areas | 32 |
| Special surveys of rooms, vault areas, etc. | 111 |
| Persons processed for identification (employees, liaison officers, consultants) | |
| Photographed, fingerprinted, reading of Security Regulations, execution of Secrecy Agreement, making and issuing of badges | 25,119 |
| Fingerprint cards completed and submitted to FBI | 2,030 |
| Badges and passes made and issued | 9,115 |
| Safe combinations changed | 7,940 |
| Safe repairs and adjustments | 5,334 |
| Visitors processed | 93,217 |
| Persons trained in use of firearms | 113 |
| Technical security inspections | 21 |
| Surveys to determine justification for special telephone service | 70 |
| Security problems and matters handled and resolved by the Night Security Officers | 5,622 |
| Night Security Officer inspections of buildings | 1,129 |
| Security indoctrination lectures and special security briefings | (57 classes (1,974 persons |
| Classified waste destroyed | 1,410,400 pounds |
| Safety surveys and inspections | 141 |

cv. In the past year, 3 employees [redacted] official were trained in the methods of technical interrogation, three familiarization courses were conducted for foreign visitors.

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2. Objectives for Fiscal Year 1955

a. It is anticipated that the Security Division, as a whole, will operate with the same degree of security thoroughness and efficiency as afforded during the fiscal year 1954. Continued emphasis will be placed upon improving the security of the Agency through such advanced security procedures as will be developed and such technological advances in the field of security as will be available by the next budget year. In view of the present Agency policy of stabilization, it is anticipated that the work level of this Division for the fiscal year 1955 will closely parallel that of the past year.

b. Inquiries to other offices of the Agency indicate that approximately 297 requests per month will be made for Top Secret clearances for employees entering on duty, consultants and military personnel assigned to the Agency. Other inquiries reveal that approximately 425 regular contact cases per month will be received as compared to an average of approximately 300 cases per month during the past fiscal year. In addition, approximately [redacted] per month will be received which compares with an average of approximately 70 cases per month for the past year. The Logistics Office reports that their requirements of this Division will be approximately 25 per cent over the last year in both Top Secret and Secret categories. TSS has also advised that there will be an increase of approximately 5 per cent in the requests for both Secret and Top Secret clearances in their contact and contract type cases.

c. During this fiscal year, it is also anticipated that the program for reinvestigation of older cases will be considerably expanded. In addition, it is anticipated that added emphasis will be placed upon both old and new cases from the Counter Intelligence standpoint.

d. The activity of the Personnel Security Branch with regard to interviews and clearance requests for Top Secret Control Officer appointments, cryptographic clearances, "Q" clearances, transfer actions and other types of special clearances will depend to a large extent upon the activities of the Agency. It is expected, however, that they will remain approximately the same as for fiscal year 1954.

e. With regard to the functions of the Personnel Security Branch in servicing the various requests of other offices of the Agency and other Federal agencies, it is expected that they will approximate those for fiscal year 1954.

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f. It is also expected that the accomplishments of the Physical Security Branch during the fiscal year 1955 will closely parallel those of the past fiscal year with continued and broader emphasis being placed upon improving the physical security practices and procedures of the Agency. In certain activities, however, such as the safe maintenance program, physical security surveys, classified waste disposal, and technical security, it is expected that there will be a substantial increase in volume. In addition, continued interest will be placed upon procurement of more secure safekeeping equipment.

g. In regard to the Agency Safety Program during the fiscal year 1955, it is expected that by addition of another employee, the Agency Safety Program will be further implemented to include more formalization of the program in effect.

h. The accomplishments of the Interrogation Research Branch during the fiscal year 1955 will closely parallel those of the past fiscal year with greater emphasis being placed on [redacted] operations coordination, active research expansion to improve the technique and gain new insights into its strengths and limitations; and to introduce an in-service training program to assure complete continuity of polygraph technique [redacted]

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